

Mr. Francis X. Behr
Vice President, Corporate Development
CAP GE ~~MINI~~ SOCIETY ~~DASD~~.
1133 Avenue of the Americas
Suite 3122
New York, NY 10036

Leamy
You can call him later
I am already working them
lit

Mr. Jim Bench
Vice President, Corporate and Strategic Planning
Combustion Engineering
900 Long Ridge Road
Stamford, CT 06902

Mr. Vic Morris
Marketing International/VP
Cullinet Software
400 Blue Hill Drive
Westwood, MA 02090

Mr. Donald Glynn
Consultant
Homeowner Services
John Hancock Life
P.O. Box 111
Boston, MA 02117

— ~~SECRET~~ / INTEREST?

Ms. Elizabeth E. Lake
Manager of Corporate Planning
Henco Software
100 Fifth Avenue
Waltham, MA 02154

Mr. R. Hoberman
President
Hoberman Data Systems, Inc.
6 Menetto Hill Mall
Plainview, NY 11803

SIZE? CAMP?

Mr. Richard J. Adamec
Manager, Market Information
IMNET
International MarketNet
Two Broadway
New York, NY 10004

Mr. Morton J. Goodfriend
Director of Marketing Operations
ITT
Communications & Information Services, Inc.
100 Plaza Drive
Secaucus, NJ 07096



Ms. Melinda Scott
Main Hurdman
55 E. 52nd Street
New York, NY 10055

Mr. Michael Portanova
NEC Information Systems
Director, Corporate Planning
289 Great Road
Acton, MA 01720

Ms. Karen C. Vinjamuri
Associate
Oak Management Corporation
257 Riverside Avenue
Westport, CT 06880

Ms. May L. Stinson
Gateway Marketing Manager
SCA Products & Services, Inc.
352 Lexington Avenue
New York, NY 10016

— Size?/Camp?

Mr. Paul Phinney
Vice President Planning
Software International Corporation
2 Elm Square
Andover, MA 01810

(pink S/GC)

Mr. Barry J. Clark
Vice President
Telerate Systems Incorporated
One World Trade Center
New York, NY 10046

Mr. William E. Bishop
Vice President
Time, Incorporated
Time & Life Building
New York, NY 10020

Mr. Frank J. Smith
Project Director - Corporate Development
Selling Areas - Marketing, Inc.
Time & Life Building
New York, NY 10020

Ms. Judith H. Carey
Director of Strategic Planning
Wang Laboratories
Mail Stop L4AIC
One Industrial Avenue
Lowell, MA 01851



Don Armitage

Dear:

As the information services market changes - shaped by a shifting economy, frequent acquisitions; new technology, and aggressive vendor tactics -- so must your business plans. Market planning information requirements of yesterday are no longer valid today.

In today's environment, successful vendors require highly detailed market intelligence: detailed competitive information, detailed user-segment requirements and buying patterns, and "application-market" trends and growth forecasts. The market planning information you buy must be consulting driven to provide the relevant information you need.

Information Relevant to Your Business

INPUT's planning programs, founded on sound market research methods, deliver detailed market planning studies, timely executive newsletters, and continuous pro-active support by our most senior information services industry analysts.

Trial Program - A Special Five-Month Offer

Current INPUT clients (most rated among the top 100 information services vendors) recognize the value and usefulness of INPUT's services and its direct effect on their rising company revenue.

So that you can realize the same benefits, INPUT is offering a special five-month trial program for a limited time only.

Through August 31, 1985, you may subscribe to a full annual program of relevant services at approximately one third of the standard fee!

"Customized" Program Services

As a subscriber, you may select any nine studies from our major INPUT research program, access our Senior Analysts to discuss issues relevant to your business and receive qualified interpretation of industry events, attend INPUT's Information Industry client conference to be held in August 1985, and use INPUT's extensive technical library containing detailed information on more than 6,000 vendors and over 300 markets.



In addition to all these services, subscribers will receive detailed profiles of vendors now active in market segments selected. That means when you build your program, you can select vendor detail by company or company type (i.e., vendors selecting products and services relative to software will receive software vendor profiles - more than 100 companies covered.) Full details on each of these services are enclosed for your review.

Save a Minimum of \$9,000

Standard pricing for these services range from \$17,000 to \$27,000 per program per year. Within the next 4 weeks only, you can subscribe at the fee of only \$6,500 and save a minimum of \$9,000!

Please take a moment to review this important offering. I am certain that when you subscribe you will recognize the value of the program and easily justify use of full services in 1986.

I will call in the next two weeks to discuss this offering. Feel free to call me (201) 368-9471 if you have questions or wish to subscribe in the interim.

Sincerely,

Larry R. Mitchell
Senior Consultant

P.S. If you subscribe early, you can attend INPUT's Information Industry Client Conference August 19-23 at the Claremont Hotel in Berkeley, California.



EXHIBIT A

MARKET ANALYSIS AND PLANNING SERVICES RESEARCH

Information Services Markets Program Research

- () Vertical Markets Annual Report
- () Cross-Industry Markets Annual Report
- () Vendor Financial Watch (quarterly)

Processing Services and Turnkey Systems Program Research

- () Processing Services/Turnkey Systems Annual Report
- () Systems Integration: Opportunities/Challenges
- () Electronic Information Interchange Markets
- () Check Guarantee and Credit Card Authorization Services
- () Project Management Systems Markets
- () Correspondent Bank Processing Services Markets, 1985-1990
- () Telecommunications Vendor Services Markets
- () Medical Processing/Turnkey Markets
- () Turnkey Systems Pricing Trends

Software and Professional Services Program Research

- () Software Markets Annual Report
- () Professional Services Market Directions
- () Fourth Generation Languages Markets
- () Computer Integrated Manufacturing Markets
- () Applications Software Development Tools
- () Data Base Management Systems Markets
- () Information Services Markets in Artificial Intelligence, 1985-1990
- () Federal Government Professional Services Markets

Microcomputer Software Program Research

- () Multiuser Systems Opportunities
- () Selling Microcomputer Software to Corporate America
- () Analysis of Corporate User Needs
- () Microcomputer Software Dealer Survey
- () Micro-Mainframe Market Analysis
- () New Generation of Integrated Software
- () Trends in Microcomputer Operating Systems
- () Micro-Mainframe End User Experiences

COMPANY ANALYSIS AND MONITORING PROGRAM RESEARCH

- () Software Products Vendors Profiles
- () Processing Services Vendor Profiles
- () Professional Services and Turnkey
- () Systems Vendor Profiles
- () Directory of Information Services Vendors

INFORMATION SYSTEMS PLANNING SERVICE RESEARCH

Corporate Systems Planning Service Research

- () Distributed Data Processing
- () Micro-Mainframe: Corporate Impact
- () Information Systems Planning Report
- () Changing Dynamics of IS Organizations
- () Residual Value Forecasts
 - Large Systems Directions: Disks/Tapes/Printers
 - Large Systems Directions: Mid-Year Update
 - Large Systems Directions: IBM/Plug-Compatible Mainframes

End User Systems Program Research

- () Training: Prerequisite to End-User Computing
- () Office Videotex
- () Intelligent Workstations
- () Destiny of the Information Center
- () End User Micro-Mainframe Experiences
- () Integrating Office Systems
- () Multiuser Systems

Software Systems Program Research

- () Artificial Intelligence
- () Micro-Mainframe Software
- () Fourth Generation Language Projected Trends
- () Software Productivity Improvements
- () Simulation and Prototyping
- () Decision Support Evolution: Data to Knowledge
- () Data Base Management Systems

Telecommunications Program Research

- () Network Management Systems
- () Integrating Voice/Data Communications
- () LAN/CBX Update
- () Micro-Mainframe Connectivity
- () Telecommunications Security
- () Economics of Telecommunications
- () Telecommunications Support Strategies

INFORMATION SERVICES MARKETS PROGRAM

- VERTICAL AND CROSS-INDUSTRY MARKETS REPORT SERIES

- These reports provide insight into the latest opportunities and caveats of 20 different major market segments. Each chapter is a self-contained analysis providing five-year (1985-1990) user expenditure forecasts and analysis of market sizes and growth rates; identifies key events, issues, and trends related to user needs and vendor strategies; and includes competitive profiles and market share analysis.

- "EXECUTIVE INPUT" (MONTHLY NEWSLETTER)

- This is a personal newsletter from Peter Cunningham, INPUT's president. It highlights and interprets key events and trends that can have a major impact on clients' current strategies and future plans. Vendor Financial Watch delivered quarterly.

- INQUIRY SERVICE AND SUPPORT

- Our Hotline staff is available by phone from 7 a.m. to 5 p.m. PST every weekday to answer your questions on issues, trends, and events relating to MAPS 1985 areas of analysis. INPUT's California and New Jersey research libraries are also available to subscribers who wish to explore topic areas in more depth.

- ACCESS TO SENIOR INPUT STAFF

- INPUT's senior consultants and analysts, many of whom have been watching the information services market for over 20 years, are available to respond to your questions.

- ON-SITE CLIENT PRESENTATION (Optional)

- In order to keep their entire staff current on fast-changing industry developments and trends, clients may receive an annual presentation at their site from a senior member of INPUT's staff. This presentation, offered in the fourth quarter of the year, provides attendees with a fresh perspective on issues of immediate use for planning and decision making. It is presented by a senior executive from INPUT at your location. You determine the attendees.

- ANNUAL CLIENT CONFERENCE

- Held in 1985 in San Francisco in late summer, this annual conference enables INPUT's domestic and international clients to become up to date on industry events and directions, as well as meet INPUT's other vendor and user clients.

PROCESSING/TURNKEY SYSTEMS MARKETS PROGRAM

- ANNUAL PROCESSING/TURNKEY "STATE OF THE MARKET" REPORT

- This annual report provides an overview of key events, issues, and trends in the processing and turnkey systems portion of the information services marketplace. It includes forecasts of 1985-1990 market size and growth rates for processing and turnkey portions of 20 vertical and cross-industry market segments.

- SYSTEMS INTEGRATION: OPPORTUNITIES AND CHALLENGES

- Systems integration offers large contract potential for vendors skilled in providing multiple delivery mode services. Initially government, and now commercial sectors, are accelerating their willingness to embrace this approach. This study identifies the most attractive segments, profiles the competitive environment, analyzes the relative potential of each major component of systems integration, and specifies keys to success. Five-year market sizes and growth rates are provided.

- ELECTRONIC INFORMATION INTERCHANGE (EII) MARKETS

- This study analyzes the rapidly evolving marketplace of electronic information interchange between independent business entities. The report includes profiles of opportunities and challenges in EII application areas such as POS, manufacturer-supplier, provider-agent, software publisher-retailer, plus others.

- SIX MARKET SECTOR OPPORTUNITY REPORTS

- Each of these reports provides a concise profile of opportunities within an individual sector of the processing and/or turnkey systems marketplace. Included in each report are five-year forecasts of market size and growth rate, user needs, market structure, and competitive profiles.
- Titles for the 1985 Processing and Turnkey Systems Program year are:
 - Check/Credit Card Authorization Services markets
 - Project Management Systems Markets
 - Correspondent Banking Services Markets
 - Telecommunications Vendor Services Markets
 - Medical Processing/Turnkey Markets
 - Turnkey Systems Pricing Trends

SOFTWARE AND PROFESSIONAL SERVICES MARKETS PROGRAM

- ANNUAL SOFTWARE AND PROFESSIONAL SERVICES "STATE OF THE MARKET" REPORT
 - This annual report provides an overview of key events, issues, and trends in the software products (mainframes and minicomputer based) and professional services portions of the information services marketplace. It includes forecasts of 1985-1990 market size and growth rates for software products and professional services modes of 20 vertical and cross-industry market segments.
- SOFTWARE PRODUCT PRICING TRENDS
 - Pricing is one of management's most critical and complex product-related decisions. This study provides an up-to-date analysis of pricing developments for mainframe- and minicomputer-based software products. The report includes pricing level expectations and forecasts, discounting trends, and discussions of multiple-copy pricing, use pricing, and innovative terms and conditions.
- PROFESSIONAL SERVICES MARKET DIRECTIONS
 - This report profiles the rapidly changing character of the professional services marketplace. It analyzes major developments such as vertical market specialization; emergence of strong, national firms; entry of vendors from other delivery modes; and joint ventures. Key success factors for software development, education, and consulting markets are identified.
- SIX MARKET SECTOR OPPORTUNITY REPORTS
 - Each of these reports provides a concise profile of opportunities within an individual sector of the software products and/or professional services marketplace. Included in each report are five-year forecasts of market size and growth rate, user needs analyses, market structure descriptions, and competitive profiles.
 - Titles for the 1985 Software Products and Professional Services program year are:
 - Fourth-Generation Languages Markets
 - Computer-Integrated Manufacturing (CIM) Markets
 - Applications Software Development Tools
 - Data Base Management Systems Markets
 - Information Services Markets in AI 1985-1990
 - Federal Government Professional Services Markets

MICROCOMPUTER SOFTWARE AND SERVICES PROGRAM

- ANNUAL MICROCOMPUTER SOFTWARE AND SERVICES "STATE OF THE MARKET" REPORT
 - This annual report provides an overview of key events, issues, and trends in the PC/End-User portion of the information services marketplace. It also includes forecasts of 1985-1990 market size and growth rates for the PC software and services portion of 20 vertical and cross-industry market segments.
- MULTIUSER MICROCOMPUTERS
 - The IBM-AT legitimized the multiuser micro. The demand for a low-cost multiuser system has become quite visible. The end-users' need for sharing data, software, and peripherals can be satisfied by LANs, micro-mainframe links, DDP, or MUSs. Which alternative is appropriate? This report analyzes MUSs and forecasts their future role as departmental processors. The report includes interviews with vendors and users, as well as case studies of organizations that are using MUSs.
- SELLING MICROCOMPUTER SOFTWARE TO CORPORATE AMERICA
 - Fortune 1300 companies represent a large and still virtually untapped source of revenue opportunity for PC software vendors, yet effective distribution channels for reaching this huge market are still missing. This report analyzes current vendor strategies for selling to the Fortune 1300, forecasts PC software sales through 1990, and recommends marketing and distribution strategies, based on extensive vendor and user interviews.
- MICROCOMPUTER SOFTWARE DEALER SURVEY
 - The vast majority of micro software is sold through retail channels. As a present or potential vendor of micro software, it is important to understand the retailers need and problems so they can better represent and sell your products. Is there a trend away from dealers and toward direct or mail order sale of software? Based on 50 extensive dealer interviews.
- MARKET SECTOR OPPORTUNITY REPORTS
 - Each of these reports provides a concise profile of opportunities within an individual sector of the microcomputer software and services marketplace. Included in each report are five-year forecasts of market size and growth rate, user needs analyses, market structure determinations, and competitive profiles.

CORPORATE SYSTEMS PLANNING PROGRAM

- Large-Scale Computer System Directions is a set of three reports predicting IBM's actions in the large-systems market and the responses of computer vendors. The reports include residual value forecasts of IBM and selected IBM-compatible mainframes, as well as storage devices, printers, and other peripherals.
- Micro-Mainframe: Corporate Impact report describes the organizational and technological effects of microcomputers in the corporation. The role of Information Systems will be analyzed in light of the growing demand of end users for access to corporate data bases. The impact of micro-mainframe products on the current inventory of standalone micro and mainframe software will also be analyzed.
- Information Systems Planning report identifies successful IS strategic planning methodologies and describes how they can be successfully implemented. The report will also include interviews with senior corporate managers and will report their perceptions of IS business goals. These perceptions will provide the planning methodology developed in this report. A discussion of how companies are using information as a competitive weapon is also included.
- The Changing Dynamics of IS Organizations report investigates the environmental impacts affecting IS, including end-user computing, changing skill requirements, and the resurrection of distributed data processing. Due to the dynamics of this environment, IS needs to be organized to support the corporation's business goals. This report will forecast IS organizations' trends and recommend organizational strategies that will improve IS responsiveness to the corporation's competitive needs.
- Distributed Data Processing. A failed concept, DDP is reemerging under the guise of departmental processing. This report forecasts the role of DDP in the corporate computing strategy. It will also answer the following: Where does DDP fit with LANs and micro-mainframe links? Is the minicomputer dead or will it be the hub of departmental computing?

END-USER SYSTEMS PLANNING PROGRAM

- Integrating Office Systems. Office systems have evolved from word processors to major systems. These systems, however, have still remained on the perimeter of the corporation's computing strategy. This report recommends approaches for designing office systems and constructing information systems plans that fully utilize the potential value these systems can provide. The report includes case studies and recommendations.
- Multiuser Systems (MUSs). The IBM-AT legitimized the multiuser micro. The demand for a low-cost multiuser system has become quite visible. The end-users' need for sharing data, software, and peripherals can be satisfied by LANs, micro-mainframe links, DDP, or MUSs. Which alternative is appropriate? This report analyzes MUSs and forecasts their future role as departmental processors. The report includes interviews with vendors and users, as well as case studies of organizations that are using MUSs.
- Destiny of the Information Center (IC) will examine whether the micro fits into the IC or whether it may replace the IC. In addition, the latest changes in IC use, software, and support structures will be discussed.
- End-User Micro-Mainframe Experiences reports the experiences of organizations using micro-mainframe links. It updates last year's extensive research and focuses the justifications and benefits derived by these systems. The support requirements are identified and trends in both organization and technology are summarized.
- Training: Prerequisite to Successful End-User Computing examines the increasing need for IS and end-user training programs. Education is viewed as the most serious IS personnel problem by IS management. The growth of end-user computing has greatly increased the need for training users and IS personnel. This report addresses the changing skill mix caused by end-user computing and recommends methods for establishing a training program for end users and IS personnel. The analysis includes internal and outside resources and the true costs and benefits of an enriched training program.
- Office Videotex investigates a technology that has been searching for an application. Videotex has had mixed success in the U.S. It now appears that it can provide a very effective component of the "Office of the Future." The report analyzes the potential benefits of videotex and how it can be used as a competitive tool.
- Intelligent Workstations analyzes end users' workstation requirements and compares them to current and projected products. The future role of personal computers will be discussed, and recommended workstation strategies will be identified.

SOFTWARE PLANNING PROGRAM

- Micro-Mainframe Software categorizes the massive number of micro-mainframe software products and describes their role in the corporate computing strategy. The software necessary to accommodate micro-mainframe access will be identified and special emphasis will be placed on security and data integrity requirements. The report will recommend a software development/acquisition strategy that will encompass the evolution of micro-mainframe products from their current infancy to product maturity.
- Simulation and Prototyping analyzes the growing use of applications simulation and prototyping. It will analyze the strengths and weaknesses of using these techniques and the amount of user involvement required for these techniques to succeed. The report will include case studies, analysis of current products, and predictions of future product directions.
- Fourth-Generation Languages Projected Trends investigates whether the potential of FGLs is being realized. Mainframe-, mini-, and micro-based products will be analyzed, as well as IS versus end-user applications. Actual benefits will be described and analyses of successes and failures of FGL applications will be made. The report will conclude with a forecast of future FGL products and an analysis of how FGLs will fit in with forthcoming artificial intelligence products.
- Artificial Intelligence (AI) predicts the breakout of these tools from academia to business. The report will analyze the strengths and weaknesses of these systems. The strategic potential of AI and expert systems as a competitive weapon will be examined. The report will also describe the technological, personnel, and organizational requirements for these systems to become useful and beneficial.
- Applications Software Development Tools analyzes software productivity tools, including resource centers, applications generators, and programmers' tool kits. Products will be analyzed and actual benefits will be described. The report will recommend techniques for improving software development productivity and will discuss the role products, training, and organization will have in improving productivity.
- Decision Support Evolution: Data to Knowledge investigates the purpose of decision support systems. It analyzes the evolution of decision support from management information through expert systems, including defining where decision support stops and decision making begins. The report will address the limitations of decision support systems and will identify justification techniques for these systems.
- Data Base Management Systems focuses on the coming crisis in data management--there won't be sufficient processing power to support the information requirements of the corporation. The report analyzes the proposed hardware solutions to this problem including data base machines and optical disk; the current data modules and their capability of coping with the increasing data demands; and the alternative of distributing data bases with the inherent problem of no easy way to manage these data bases. The report will discuss market trends and will conclude with recommendations for solving the data management problem in large organizations.

TELECOMMUNICATIONS PLANNING PROGRAM

- Integrating Voice and Data Communications analyzes the changing technology of telecommunications. The benefits and costs of integrating voice and data will be discussed. The evolution of LAN, CBX, and other telecommunications devices will be analyzed with respect to data versus voice capabilities. The report also provides guidelines to when data-only versus data/voice networks are most appropriate.
- Telecommunications Security examines the growing need to provide security on the numerous corporate communication networks. The need for different degrees of security for different networks will also be analyzed. Alternative means of providing security will be described and the components of an effective network security plan, including software, hardware, and personnel issues, will be identified.
- Micro-Mainframe Connectivity analyzes microcomputer communications modes, their advantages and limitations. The role of micro-mainframe communications in the corporate communications strategy will be explored, and the changes in these communications modes in the next two to three years will be projected.
- Economics of Telecommunications examines the turbulent changes that have occurred since the AT&T divestiture. The influx of new vendors and products has added greatly to the complexity of telecommunications. This report analyzes this volatile environment, examining the true cost of voice and data communications with special emphasis on vendor viability.
- LAN/CBX Update reports current experiences with LANs/CBXs that are used for data and data/voice communications. The strengths and weaknesses of these products are analyzed and the future of these and other office-oriented communications devices are projected.
- Network Management Systems examines the complexities of network management and the systems used to control these networks. The changing requirements of network management will be analyzed and the systems, personnel, and organizational issues will be identified. The report will also include recommended network management strategies.
- Telecommunications Support Strategies analyzes the changing telecommunication support requirements caused by deregulation. The mix of support among in-house, equipment, and third-party vendors will be analyzed and cases will be included to illustrate strategies currently being employed. The economic impact of various support strategies will be identified and an analysis of the risk and benefits of each strategy will also be included. The report will identify the components of a telecommunication support strategy and recommend methods for implementing this strategy.

CUSTOM PROGRAM AUTHORIZATION

To: INPUT, 1943 Landings Drive, Mountain View, CA 94043

Authorization

Yes! We would like to take advantage of INPUT's trial offer and receive timely market planning information customized to our specific requirements. Please enter my subscription order for services effective immediately and ending 12/31/85 as indicated below.

- () Nine reports plus all services described in attached letter proposal at the fee of \$6,500 -- a savings of \$9,000.
- () Eighteen reports plus all services described in attached letter proposal at the fee of \$13,000 -- a savings of \$10,000!

I understand that in order to qualify for this special offer, INPUT must receive written authorization within four weeks of date of letter proposal.

Report Selection

Reports checked on Exhibit A will be shipped to me upon completion. I understand that I may purchase extra copies of reports selected at a nominal additional fee and that I may add new reports to my subscription at an additional fee at any time.

Terms and Payment

- () Enclosed is my check in the amount of \$_____.
 - () Bill my company on P.O. #_____ in the amount of \$_____.
- I understand that payment in full is due and payable within 30 days of invoice.

Confidentiality Agreement

I understand that in authorizing this order, I am accepting the conditions of confidentiality stated on the back of this order form.

AUTHORIZED BY:

ACCEPTED BY: INPUT

NAME _____

SIGNATURE _____

TITLE _____

NAME _____

CLIENT ORGANIZATION _____

TITLE _____

ADDRESS _____

DATE _____

TELEPHONE _____

SIGNATURE _____

DATE _____

INPUT

CONFIDENTIALITY AGREEMENT

The initial term of this subscription is effective upon authorization through December 31, 1985. The subscription will automatically renew for each succeeding year unless INPUT receives written notice sixty (60) days prior to the start of each renewal period.

The fees for INPUT services defined in this Agreement will be invoiced each year at INPUT's standard program rates then in effect, due and payable on or before the start of the program subscription year.

The information provided in these reports is proprietary to INPUT. The client agrees to hold as confidential all information provided by INPUT through this service. The information provided shall be used only by the employees of and within the current corporate structure of the client and will not be disclosed to any other organization or person including parent, subsidiary, or affiliated organizations without written consent of INPUT.

The client agrees to control access to the information provided to prevent unauthorized disclosure in violation of this Agreement.

INPUT exercises its best efforts in preparation of the information provided under this Agreement and believes the information contained therein to be accurate. However, INPUT shall have no liability for any loss or expense which may result from incompleteness or inaccuracy of the information provided.

INPUT reserves the right to change or modify the content of the program in response to changing client requirements.